La Mutuelle

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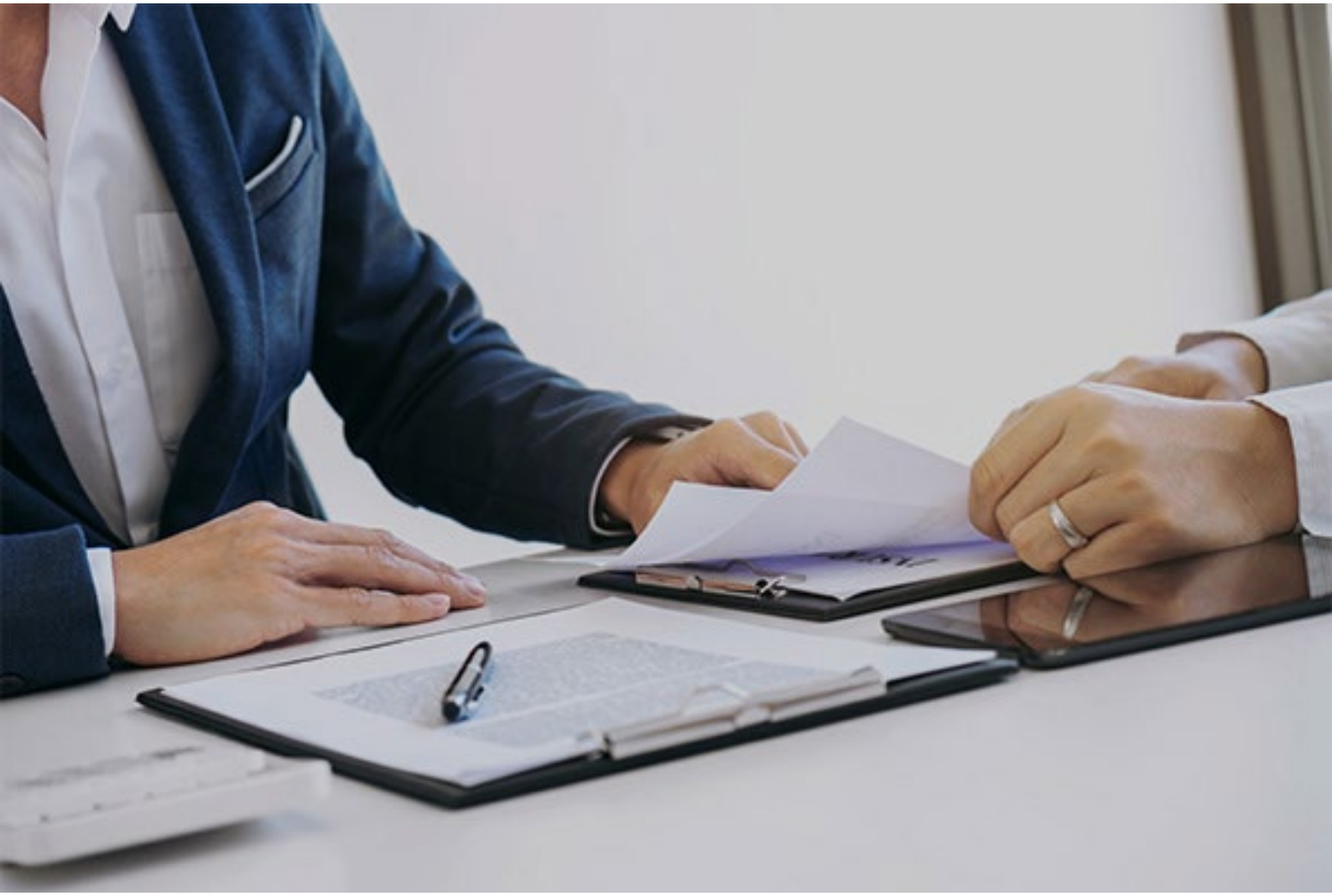
Borrow at an attractive interest rate



The ordinary loan

The International Civil Servants' Mutual Association (ICSMA), founded in 1958, is a non-profit fund exclusive to the United Nations and Specialized Agencies, whose objectives are to promote mutual assistance among staff members of the United Nations Office and other Organizations within the United Nations family at Geneva, and the facilitation of the settlement of the said staff members and their family.

The affiliated Organizations to La Mutuelle are the following: ILO, ITU, WTO, WMO, WIPO, IMO, UNICEF (civil servants stationed in Geneva only), IOM, WHO, HCR, IPU, UNITAR and UNEP (civil servants stationed in Geneva only).

Services proposed to the members

Loans

La Mutuelle offers two types of loan in CHF only, i.e. **the ordinary loan and the housing loan**.

Deposits

La Mutuelle offers various types of accounts in **CHF or USD.**

Insurances

La Mutuelle offers its members their spouses and dependent children, **various types of insurance**.

Mobility

Members of La Mutuelle can benefit from reduced rates with **several mobility providers.**

Admission – Resignation

By becoming a member of La Mutuelle the civil servant has, de facto, confirmed that he/she has read and understood the Statutes and the Internal Rules and Regulations, and undertakes to comply with them.

Membership is open to:

- Active locally recruited staff members of an affiliated organization stationed in Geneva;
- Internationally recruited staff members of an affiliated organization. UNEP and UNICEF staff members are eligible only if stationed in Geneva.

Membership will cease upon:

- Voluntary termination of membership (in writing);
- Death;
- Separation from the United Nations system, except for retirement;
- Exclusion pronounced by a Board Sub Committee.

Documents to submit for membership

Before applying for membership, the applicant must verify his/her eligibility on www.lamutuelle.org.

The documents to be submitted are as follows:

- The membership application form duly completed and signed;
- A legibly photocopy of the national passport;
- A legible copy of the carte de legitimation (only if stationed in Switzerland);
- The personnel action form (issued by the Human Resources department);
- The form to request a secure access.

A membership fee of CHF 10 must be paid once the eligibility has been confirmed by La Mutuelle and upon its request. If a loan application is sent at the same time as a membership application, and if the applicant only wishes to use the loan services, the membership fee will be deducted by La Mutuelle from the amount of the loan if granted.

The ordinary loan

The ordinary loan is a consumer loan intended, for instance, to finance vacations, education (including for children), purchase of a car, repayment of an external personal loan or credit card, payment of outstanding debts or lawsuits, etc.

Civil servants applying for a loan must fill in the documents correctly, accurately and truthfully, and attach all the required supporting documents. Any omission, error and/or misrepresentation will result in a definitive refusal to grant a loan and, if the civil servant is a member of La Mutuelle, may result in exclusion.

General provisions

Civil servants wishing to borrow must hold a permanent, indefinite or fixed-term contract.

Fixed-term contracts must expire no earlier than 6 months after the date of submission of the loan application. Civil servants who have less than 6 months of valid contract must obtain from their Human Resources department an attestation of renewal and enclose it to the loan application, failing which the duration of the loan, if a loan is possible, may not exceed the expiry date of their current contract.

Civil servants on temporary contracts are not eligible for the ordinary loan.

Civil servants on "Special fixed-term" or on "Technical Cooperation (TC)" fixed-term contract can apply for an ordinary loan. However, the duration of the loan will not exceed the expiry date of their contract.

A freeze on monthly repayments is not allowed.

An annual tax attestation is available for each type of loan and can be downloaded in the secure access from 16 January.

Conditions

Interest rate

The interest rate is monthly and includes a death/disability insurance. It is fixed for the entire duration of the loan.

Monthly interest is paid at an effective discount rate as the interest rate is applied monthly on the remaining capital.

The interest and the amortization for any month started are due in full.

Duration of the loan

The minimum duration of the ordinary loan is 3 months and the maximum is 84 months.

The maximum duration of a loan that a civil servant can obtain depends on the expiry date of his/her contract but cannot exceed the retirement date. Civil servants who do not have a permanent or indefinite contract will have their length or service, acquired under fixed-term contracts and also

through international recruitment if they are not based in Geneva, taken into account when determining the maximum possible reimbursement period.

For civil servants employed for less than one year with their organization the maximum duration of the loan shall not exceed the expiration date of their current contract.

Monthly repayments

Loan repayments are done only through automatic monthly salary deductions.

Loans are granted in CHF and must be repaid in CHF. Members who receive a salary in USD may notice a variation in the monthly payment deducted from their salary due to exchange rate fluctuations.

Deferred repayment of the first monthly instalment

A borrower may request to defer repayment of the first monthly instalment only. La Mutuelle will decide whether to accept the request after examining it, but under no circumstances may the deferment exceed 2 months.

Once the borrower has returned the contractual documents, it is no longer possible to defer repayment of the first monthly instalment.

Grantable amount

The amount a borrower can obtain under an ordinary loan depends, notably, on his/her net salary, the type of contract, the length of service, the retirement date, the financial commitments, etc. It is maximum 7x the borrower's last net salary, including ordinary loans previously granted by La Mutuelle.

The minimum amount that may be requested is CHF 2,000.

The total debt a civil servant can have with La Mutuelle is CHF 250,000, housing and ordinary loans combined.

Debt ratios

The monthly repayment of one or more ordinary loans granted by La Mutuelle may not exceed 30% of the civil servant's net monthly salary. If the civil servant has taken out other loans of the same nature with another establishments (credit cards, consumer loans, car leasing, etc), their monthly instalment(s) will be considered when calculating the ratio. If the civil servant has one or more outstanding housing loans with La Mutuelle the ratio will be 35%.

If the borrower has one or more housing loans with La Mutuelle, the total monthly cost (including any external loans, monthly rent in the case of the purchase of a residence other than the main residence, leasing, loans with La Mutuelle, etc.) may not exceed 50% of income (net monthly salary and other proven monthly income).

Other proven monthly income includes, for example, the spouse's salary (based on the last 3 payslips) and rental income (evidenced by a title deed, an official lease contract and bank statements of the last 3 payments received).

Applying for an additional loan

Members who have just received an ordinary loan may submit a new ordinary loan application whenever they wish, provided they have repaid at least 1 monthly instalment on the last ordinary loan granted. They can, however, apply for a housing loan without having to respect a waiting period.

Sick leave – leave without pay

Civil servants who are on sick leave or on leave without pay are not eligible for a loan. They must have resumed their work at 100% to apply for a loan, and a confirmation, issued by the Human Resources

department, must be provided. If a civil servant does not declare that he/she is on sick leave and that the loan is granted, it will not be covered by the insurance in the event of death or disability and will have to be repaid by the member in case of disability, or by the heirs in case of death.

Members who are on sick leave without full pay or without pay must continue to repay the full monthly instalments. La Mutuelle recommends the borrowers to take out loss-of-earnings insurance, which it offers to its members on an optional basis, to cover the difference in the event of leave without full pay.

Civil servants who are on a leave without pay or have requested a leave without pay are not eligible for a loan.

Members who will start a leave without pay must inform La Mutuelle, before the beginning date, and provide a copy of the administrative notice confirming the leave, personal details and the reason for the leave. The Credit Committee will set the monthly instalment to be paid during unpaid leave, as a freeze on repayments is not allowed.

If a member does not inform La Mutuelle of his/her leave without pay and/or does not repay his/her loan(s) during his/her leave as requested, in application of article 8.7 of the Internal Regulations, La Mutuelle will inform the Human Resources department of the employing organization, and the unpaid monthly instalments and accrued interest will become immediately payable. In addition, the access to loans may be permanently denied.

Loan insurance – Invalidity – Death

An insurance taken out by La Mutuelle covers the balance due on loans in the event of the borrower's death or total disability, as recognized by the employing organization, provided the insurer agrees to cover the loan. If the insurer refuses to cover the loan in the event of death or disability, La Mutuelle may, in exceptional cases only and at its sole discretion, grant an ordinary loan but for a small amount and over a short term. If approved, in case of a claim the total outstanding debt must be repaid through the final emoluments.

A civil servant applying for a loan must complete a medical questionnaire fully and truthfully. Any omission, inaccuracy or misrepresentation made during the last 4 full years and the current year, from the date of submission of the loan application to the date of loan payment the date of payment of the loan by La Mutuelle, will result in cancellation of the insurance contract without payment of benefits. In addition, the member will no longer be eligible for services and will be excluded from La Mutuelle upon maturity of his/her current loan(s). In application of article 8.7 of the Internal Regulations, La Mutuelle will inform the Human Resources department of the organization employing the member. In the event of a claim, the total outstanding debt must be repaid directly by the member in the event of disability, or by the member's estate in the event of death. La Mutuelle reserves the right to take legal action against the member or his/her heirs to recover the sums due.

As soon as a borrowing member is informed that he/she will be separated for health reasons, he/she, or his/her representative, must immediately inform La Mutuelle, which will provide the procedure to be followed so that the insurance can take over the balance due on his/her loan(s). In the event of death, the heirs must contact La Mutuelle. If La Mutuelle is not contacted, the member's debt cannot be reimbursed by the insurance and will have to be borne by the member or the member's heirs.

La Mutuelle is not involved in the medical process nor in the decisions taken by the insurers.

Financial commitments – Default

Civil servants applying for an ordinary loan must declare all their external debts, including car leasing, credit cards, consumer credit, mortgages and/or housing loans, lawsuits, unpaid debts, and attach the latest statements to their application.

La Mutuelle is entitled to take all usual steps to obtain information on the borrower's financial situation and to verify the accuracy of the information provided on loan application forms, including external

financial commitments, sick leave days taken, the reason of the request for a loan. If a civil servant does not provide complete information and/or documents required by La Mutuelle, the latter will not be able to consider the loan application and any subsequent application.

Civil servants who are the subject of legal proceedings, certificates of default or who do not repay their external debts may apply for an ordinary loan, which must be approved by the Credit Committee, but only to settle these debts as a matter of priority. If approved, payment will be effected directly by La Mutuelle to the creditors.

Members who fail to repay their debts will have their files forwarded to an external debt collection agency, which will be responsible for recovering the outstanding balances through legal channels.

Appeal

Access to loans and/or La Mutuelle' services may be temporarily and/or permanently refused to a civil servant who has failed to honor previous commitments to La Mutuelle, who has provided inaccurate and/or misrepresented information in current and/or previous loan applications (sick leave, external debt, lawsuits, etc.), whose overall financial situation does not allow the granting of a loan due to over-indebtedness, or who does not comply with the Statutes and/or Internal Rules and Regulations.

Any appeal to a decision must be submitted to the Credit Committee according to the provisions mentioned under Chapter 16 of the Statutes.

Early retirement – separation – inter-organizational transfer

Members who wish to take early retirement and who have an outstanding debt must have repaid it in full no later than the time of their separation from their organization.

Members who leave their organization, who are no longer employed by an organization within the United Nations system and who have an outstanding debt must have repaid it in full no later than the time of their separation from their organization.

For members who are separated or transferred from their organization and who will work for another organization within the United Nations system, not affiliated to La Mutuelle, the final emoluments, if any, are deducted to repay their debt to La Mutuelle. Should a balance nevertheless remain, members may submit a request to the Credit Committee to continue repaying their loan(s) by means of monthly salary deductions or, if this is not possible, through a direct monthly payment to be received no later than the last working day of the month instalments. In the event of refusal or unpaid loan, the balance due is immediately payable. If the loan is not repaid and in application of article 8.7 of the Internal Regulations, La Mutuelle will inform the Human Resources department of the employing organization.

Members who are separated or transferred from their organization and who will work for another organization within the United Nations system, affiliated to La Mutuelle, may continue to repay their loan(s) normally through monthly salary deductions, or, if this is not possible, through a direct monthly payment to be received by the last working day of the month. If the loan is not repaid, in application of article 8.7 of the Internal Regulations, La Mutuelle will inform the Human Resources department of the employing organization.

Loan payment

Payment of a loan is made by bank transfer only when La Mutuelle is in possession of the duly dated and signed loan documents.

La Mutuelle grants loans in CHF only. As it is in no way involved in the currency conversion process, if a member wishes that it effects the loan payment in a currency other than CHF, he/she accepts, de facto, the exchange rate applied by the bank with which La Mutuelle works and will not contest it under any circumstances. As some beneficiary banks do not accept payments in CHF, members should check this before submitting their instructions.

Early loan repayment

A loan may be repaid partially or totally in advance, free of charge, provided that a minimum of 6 monthly salary deductions have been made.

A partial loan repayment is allowed only once during the term of the loan.

In the event of early loan repayment, La Mutuelle will request from the member documents to justify the origin of funds, their traceability and tax compliance. If the origin of the funds, their traceability and tax compliance cannot be clearly established through the documents received, La Mutuelle will request additional documents or refuse the early repayment.

A partial or total early loan repayment process, which starts with the submission of the request for an early loan repayment and ends with the receipt of the funds once the agreement has been given by La Mutuelle, can only take place between the 1st and 15th of each month. Members should therefore submit, in writing and by email, their request for early reimbursement to La Mutuelle at the beginning of a month.

After receiving La Mutuelle's agreement for the early loan repayment, members must ensure that the instructions given by La Mutuelle are scrupulously followed failing which the early repayment will be refused.

Funds received without prior authorization from La Mutuelle and/or outside the period from the 1st to the 15th of each month will be refused and returned to the sender, at his/her expense.

Early repayment of a loan may only be made by a bank transfer or a direct debit from any CHF account(s) the member may have with La Mutuelle.

If the early repayment is done by bank transfer the funds may only come from the following sources, failing which they will be refused:

- An account with La Mutuelle in the member's name or, if the member has given a power of attorney in favour of another member of La Mutuelle, from the latter's Mutuelle account;
- An external bank account in the member's name;
- An external bank account in the name of persons holding a power of attorney previously registered with La Mutuelle;
- An affiliated organization;
- The Pension Fund of an affiliated organization.

For members who have repaid a loan early and submit a new loan application within 6 months of the repayment date, the approval of the Credit Committee is required. The latter is entitled to request information and/or documents to rule on the request.

Documents to be submitted for an ordinary loan study for an active civil servant

The following documents must be submitted, at the same time, for an ordinary loan application:

- The loan application form duly completed and signed;
- The medical questionnaire duly completed and signed;
- The personnel action form (issued by the Human Resources department);
- The last payslip;
- The last Pension Fund statement (only if the civil servant has an outstanding housing loan with La Mutuelle);
- The latest statement of credits/debts other than those the borrower may have with La Mutuelle (mortgage, credit card, leasing, consumer and/or housing credit, debt to third parties, etc).

If the documents relating to a loan application are not completed completely or accurately, or if certain documents are missing, La Mutuelle will not consider the loan application.

The ordinary loan for retired members

La Mutuelle grants ordinary loans to retired members provided that the amount of the loan granted and the interest payable over the entire term of the loan are blocked as collateral in their CHF current or deposit accounts, or their USD current account.

The conditions are the same as for active members, except where specifically stated below.

Conditions

Grantable amount

The minimum amount that can be requested is CHF 5,000.

The maximum amount that can be granted depends on the sums deposited by the member with La Mutuelle.

Conditions for securing a loan with the USD current account

If a member wishes to borrow by pledging his/her USD account as collateral, the countervalue of the amount lent and the interest payable over the term of the loan will not exceed 65% of the amount pledged as a guarantee. These two components will be adjusted over the life of the loan until maturity.

Monthly repayments

The monthly repayments can be effected by bank transfer, by direct debit from the CHF accounts or, in the absence of CHF accounts or insufficient balance, through the USD account.

Monthly instalments must be received by La Mutuelle no later than the last working day of the month, failing which debit interest will be charged. If the monthly repayment is not made on time, La Mutuelle will deduct the sum due from the collateral.

The exchange rate applied for the monthly repayment through the USD account cannot be contested by the member.

Early loan repayment

The conditions are the same as for active members, except for the 1st paragraph, which is replaced by the following rule:

A loan may be repaid partially or totally in advance, free of charge, from the month following payment of the 6th monthly instalment shown on the amortization table given to the borrower.

Death

In the event of the death of the retired member, La Mutuelle will recover the capital and interest due through the guaranteed assets since no insurance covers the capital or interest due in the event of the borrower's death, retired member.

The exchange rate applied if the USD account is used, cannot be contested by the heirs.

Documents to be submitted for an ordinary loan study for a retired member

The following documents must be submitted at the same time:

- The loan application form duly completed and signed;

- The last monthly Pension statement;
- The last statements of credits/debts other than those the borrower may have with La Mutuelle (mortgage, credit card, leasing, consumer and/or housing credit, debt to third parties).

If the documents relating to a loan application are not completed completely or accurately, or if certain documents are missing, La Mutuelle will not consider the loan application.

How to contact La Mutuelle

For further information or advice, please contact La Mutuelle as follows:

For information or personalized face-to-face advice

Client Support Center (CSC)
United Nations Office, Geneva
Building H, Palais des Nations

Daily from 10:00 am to 1:00 pm

For information or advice by telephone

Daily from 8:00 am to 12:00 pm

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